



## Required Supplementary Information

### A. Federal Account Symbols and Titles

**ENTITY FUNDS** – Customs entity operations are funded principally through the following accounts.

#### General Funds

20X0602 Salaries and Expenses, U.S. Customs Service  
20 0602 Salaries and Expenses, U.S. Customs Service  
20X0604 Operation and Maintenance, Air and Marine Interdiction Program, U.S. Customs Service  
20 0604 Operation and Maintenance, Air and Marine Interdiction Program, U.S. Customs Service  
20 0607 Operations and Maintenance, Customs P-3 Drug Interdiction Program, U.S. Customs Service  
20X0608 Customs Air Interdiction Facilities, Construction, Improvements and Related Expenses  
20X0609 Air and Marine Interdiction Programs, Procurement, U.S. Customs Service

#### Special Funds

20X5694 Customs Services at Small Airports  
20X5695 Customs User Fees Account, U.S. Customs Service

#### Trust Funds

20X8529 Salaries and Expenses Trust Fund, U.S. Customs Service, Treasury  
20 8529 Salaries and Expenses Trust Fund, U.S. Customs Service, Treasury  
20X8870 Harbor Maintenance Fee Collection

**NON-ENTITY FUNDS** – Customs records non-entity activity in the following accounts.

#### General Fund Receipt Accounts

12-1010 Fines, Penalties & Forfeitures, Agriculture Laws, Department of Agriculture  
20-0152 Excise Taxes  
20-0199 Miscellaneous Taxes, Not Otherwise Classified  
20-0310 Duties on Imports  
20-0311 Tonnage Duty Fees  
20-1040 Fines, Penalties and Forfeitures, Customs, Commerce and Antitrust Laws  
20-1060 Forfeitures of Unclaimed Money and Property  
20-1099 Fines, Penalties and Forfeitures, Not Otherwise Classified  
20-1210 Contributions to Conscience Fund  
20-1435 General Fund Proprietary Interest, Not Otherwise Classified  
20-2442 Overtime Service, Marine Inspection and Navigation, Treasury, Transportation  
20-3200 Collections of Receivables from Canceled Accounts  
20-3220 General Fund Proprietary Receipts, Not Otherwise Classified, All Other  
20F3845.06 Proceeds of Sale, Personal Property  
27-2441 Overtime Service, Federal Communications Commission  
61-3220 General Fund Proprietary Receipts, Not Otherwise Classified, All Other, Consumer Product Safety Commission  
75-1099 Fines, Penalties and Forfeitures, Not Otherwise Classified, Department of Health & Human Services  
75-3220 General Fund Proprietary Receipts, Not Otherwise Classified, All Other, Department of Health & Human Services

#### Deposit Funds

12X6148 Assessments on Imports of Beef and Pork Products, Agriculture Marketing Services, Department of Agriculture  
15X6696 Return of Deposits to Secure Payment of Fines and Passage Money, Immigration and Naturalization Service  
20X6157 Duties Collected for the Virgin Islands Government, U.S. Customs Service, Treasury Department

#### Revolving Funds

04X4505.01 Revolving Fund, Government Printing Office

#### Special Funds and Special Fund Receipt Accounts

12X5161 Agriculture Quarantine Inspection User Fees Account, Animal and Plant Health Inspection Service, Department of Agriculture  
14X5137.2 Import Duties on Arms and Ammunition, Migratory Birds Conservation Account, U.S. Fish and Wildlife  
15X5087 Immigration User Fees, Immigration and Naturalization Service, Justice  
20-5209 30% of Customs Duties, Funds for Strengthening Markets, Income and Supply  
20X5687 Refunds, Transfers and Expenses of Operation, Puerto Rico, U.S. Customs Service  
20-5695.30 Customs Merchandise Processing Fee, U.S. Customs Service

#### Trust Funds

20X8789 Refunds, Transfers and Expenses, Unclaimed, Abandoned, and Seized Goods, U.S. Customs Service  
20X8863 Harbor Maintenance Trust Fund

#### General Funds

20X0603 Refunds and Drawback, U.S. Customs Service



## B. Statement of Budgetary Resources

Budgetary resources disaggregated by major accounts for the year ended September 30, 1998, consists of the following (in thousands):

	<b>General Funds</b>	<b>Trust Funds</b>	<b>Special Funds</b>	<b>Total</b>
<b>Budgetary Resources</b>				
Budget authority	\$1,647,716	\$63,648	\$335,867	\$2,047,231
Unobligated balance	203,588	4,492	749,140	957,220
Spending authority from offsetting collections earned	175,909	10,890	42,329	229,128
Adjustments, anticipated for rest of year	127,506	650	3,756	131,912
<b>Total Budgetary Resources</b>	<b><u>\$2,154,719</u></b>	<b><u>\$79,680</u></b>	<b><u>\$1,131,092</u></b>	<b><u>\$3,365,491</u></b>
<b>Status of Budgetary Resources</b>				
Obligations incurred	\$2,033,878	\$58,469	\$332,328	\$2,424,675
Unobligated balances available	92,977	21,176	159,124	273,277
Unobligated balances not available	27,864	35	639,640	667,539
<b>Total Budgetary Resources</b>	<b><u>\$2,154,719</u></b>	<b><u>\$79,680</u></b>	<b><u>\$1,131,092</u></b>	<b><u>\$3,365,491</u></b>
<b>Outlays</b>				
Obligations	\$2,033,878	\$58,469	\$332,328	\$2,424,675
Spending authority from offsetting collections and adjustments	(349,611)	(11,541)	(46,084)	(407,236)
Obligated balance, net-beginning of period	326,790	8,744	56,590	392,124
Obligated balance, net-end of period	(398,669)	(28,980)	(52,906)	(480,555)
<b>Total Outlays</b>	<b><u>\$1,612,388</u></b>	<b><u>\$26,692</u></b>	<b><u>\$289,928</u></b>	<b><u>\$1,929,008</u></b>

## C. Petitioned and Protested Schedule

An analysis of the changes in protested/petitioned assessed amounts during FY 1998 is as follows (in thousands):

	<b>Balance October 1</b>	<b>Additional Assessments</b>	<b>Protest in Favor of Debtor</b>	<b>Net Reduction Administrative Process</b>	<b>Additional Receivable</b>	<b>Balance September 30</b>
Duties	\$ 96,122	\$ 201,285	\$(27,710)	\$ (6,861)	\$ (159,536)	\$ 103,300
Taxes	401	702,821	0	0	(702,932)	290
Fees	45,136	11,438	(44,326)	0	(12,008)	240
Fines/Penalties	1,352,722	702,090	(198,700)	(185,733)	(648,301)	1,022,078
Interest	39,602	37,658	(8)	0	(38,116)	39,136
<b>Totals</b>	<b><u>\$1,533,983</u></b>	<b><u>\$1,655,292</u></b>	<b><u>\$(270,744)</u></b>	<b><u>\$(192,594)</u></b>	<b><u>\$(1,560,893)</u></b>	<b><u>\$1,165,044</u></b>

Customs reviews selected entry documentation to determine whether importer payment estimates of duties, taxes, and fees were accurate or whether additional supplemental amounts are owed and should be billed. Customs regulations allow the importer 90 days from the bill date in which to file a protest to be reviewed by the Port Director and an application requesting further review of the protest by Customs Office of Regulations and Rulings challenging the assessment of supplemental duties, taxes, and fees. If the protest and application for further review are denied by the Port Director, the protestor has an additional 60-days from the denial date for a review of the application by the Commissioner of Customs. Consequently, Customs recognizes accounts receivables only when the protested period has elapsed or when a protest decision has been rendered in Customs favor.

Additionally, importers and their sureties also have the option to petition for relief after receipt of Customs notice that a fine or penalty has been assessed when a violation of law or regulation is discovered. The importer or surety has 60 days to file a petition for relief or make payment of the assessed amount. If a petition is received and Customs finds there are extenuating circumstances, such as an incorrect assessment, which warrants mitigation, relief is granted as prescribed by Customs mitigation guidelines and directives. Consequently, Customs recognizes accounts receivables only when the petition period has elapsed or when a petition decision has been rendered.